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IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

SECOND APPELLATE DISTRICT

DIVISION FOUR

NETTIE CORBIN,

Plaintiff and Appellant,

v.

CITY OF LOS ANGELES DEPARTMENT
OF PUBLIC WORKS et al.,

Defendants and Respondents.

B230414

(Los Angeles County
Super. Ct. No. BC390720)

APPEAL from a judgment of the Superior Court of Los Angeles County, Mary H. Strobel, Judge. Affirmed.

Nettie Corbin, in pro. per., for Plaintiff and Appellant.

Carmen A. Trutanich, City Attorney, and Paul L. Winnemore, Deputy City Attorney, for Defendants and Respondents.

INTRODUCTION

Plaintiff Nettie Corbin appeals from the trial court's order granting a motion to enforce a settlement agreement filed by defendants the City of Los Angeles Department of Public Works, Eric Russell, and Mihran Sarkisian. Corbin contends she was unaware that she was agreeing to retire as part of the settlement, and that the retirement provision of the settlement agreement inherently conflicts with the provision of the settlement whereby the defendants agreed that the settlement would have no effect on her pending workers' compensation action. We find no merit in Corbin's contentions and affirm the trial court's judgment enforcing the settlement agreement.

FACTUAL AND PROCEDURAL BACKGROUND

Corbin filed the present action in May 2008 against her employer, the City of Los Angeles Department of Public Works, and her supervisors, Eric Russell and Mihran Sarkisian (collectively referred to as the City), alleging various causes of action such as discrimination, retaliation, and hostile work environment. In September 2010, a jury trial commenced before Los Angeles County Superior Court Judge Mary H. Strobel. On the second day of testimony, the trial was halted and the parties conducted a settlement conference before Los Angeles County Superior Court Judge Amy D. Hogue. Corbin was present and was represented by counsel. The parties reached a settlement.

Counsel for the City stated on the record the terms of the settlement: Corbin agreed to first dismiss the two individual defendants, and thereafter in exchange for payment of \$15,000, Corbin agreed to dismiss her case against the City, with prejudice and a waiver of costs. The City agreed that it would designate one individual to respond to inquiries from Corbin's prospective employers, and that individual would state only her dates of employment. Counsel for the City stated: "And if I forgot to mention it, . . . Ms. Corbin is retiring as part of this agreement." The court replied, "She will retire as part of this agreement and fill out whatever paperwork there is." The court noted that it

would retain jurisdiction to enforce the settlement pursuant to Code of Civil Procedure section 664.6.¹ Finally, counsel for the City added that the City also agreed that “this [the settlement] has no effect on [Corbin’s] pending workers’ comp[ensation] action.”

Judge Hogue then asked Corbin, “[H]ave you been following all this?” Corbin replied in the affirmative. The court asked, “Are you okay with all these terms?” and “Do you approve of all of this?” Corbin responded to both questions in the affirmative. The matter having been settled, Judge Strobel dismissed the jury.

Shortly thereafter, Corbin refused to sign the written settlement agreement prepared by the City. Corbin then attempted to file a declaration (which stated it was being filed in pro. per. although she was still represented by counsel of record), purporting to rescind the settlement agreement. However, the declaration was rejected for filing. The following month, Corbin attempted to file an “objection to OSC re dismissal,” again in pro. per. This document was also rejected for filing.

In early November 2010, the City filed a motion to enforce the oral settlement agreement pursuant to section 664.6. The City appended to the motion a copy of the reporter’s transcript from the settlement conference, as well as a copy of the declaration Corbin had attempted to file previously. Corbin stated in her declaration that she was “rescind[ing] the settlement agreement entered into with defendant . . . as I was under medication and did not fully understand or comprehend the specifics of such agreement/settlement. The only portion of the agreement that I do not agree with and did not hear or understand was that the City of Los Angeles requested that I retire from my job of over 13 years.” She also stated that she felt coerced and forced to make a decision, and reiterated that her comprehension was impaired by the medication she was taking.

Thereafter, Corbin, through her counsel of record, filed opposition to the motion to enforce the settlement agreement. Corbin argued that the portion of the agreement regarding her retirement was ambiguous and unenforceable because “[a] primary term that was negotiated and agreed to the Settlement by all parties was that [Corbin] was to

¹ Unless otherwise indicated, all further statutory references are to the Code of Civil Procedure.

be allowed to maintain her pending workers['] compensation claims against the City, and that the Settlement of this case would in no way interfere with the resolution of her worker[s'] compensation cases.” Corbin argued that in the workers’ compensation cases she “is entitled to retraining and reassignment within the City’s available job openings. Thus retirement is contradictory to retraining and reassignment.” She argued that there was no meeting of the minds on the material terms of the contract, and therefore no contract formation had occurred. Corbin contended that “since there are diametrically opposed conflicting terms in this settlement contract which can be excised out of the agreement, and the rest of the agreement can still be upheld, then the Court should excise out the conflicting terms and uphold the rest of the Settlement Agreement.” She further asserted that the City “w[ould] not be harmed in any way by the Court striking the contradictory terms and enforcing the remaining terms and conditions of the Settlement Agreement.”

Concurrently with the opposition to the motion to enforce the settlement, Corbin filed a substitution of attorney, indicating she would proceed in pro. per.

Hearing on the motion to enforce the settlement was held in January 2011. The court stated that the fact the workers’ compensation claim was “carved out as part of the settlement” did not mean that the court could not enforce all portions of the settlement. The court determined that “whatever monetary compensation could be obtained by Ms. Corbin in the workers’ compensation proceeding will not be affected by the settlement.” The court ordered that Corbin would be deemed to have resigned, stating, “The record is clear — I have a copy of the transcript, I’ve read it — that the fact of the retirement was not a hidden term, it was plainly stated. The judge asked you if you understood, Ms. Corbin; and you agreed to the provisions.”

The court filed an order granting the City’s motion to enforce the settlement agreement. The court ordered the entire action dismissed with prejudice, and deemed Corbin to have resigned from her employment with the City, specifying that the judgment would serve as proof of her resignation. The City was ordered to pay Corbin \$15,000. The court thereafter entered a judgment of dismissal.

This timely appeal followed.

DISCUSSION

When a party files a motion to enforce a settlement agreement under section 664.6, a trial court may enter judgment pursuant to a stipulated settlement if the stipulation is made orally on the record before the court. “These requirements minimize the possibility of conflicting interpretations of the stipulation or its effect. [Citations.] A section 664.6 motion is appropriate, however, even when issues relating to the binding nature or terms of the settlement are in dispute, because, in ruling upon the motion, the trial court is empowered to resolve these disputed issues and ultimately determine whether the parties reached a binding mutual accord as to the material terms. [Citations.]” (*In re Marriage of Assemi* (1994) 7 Cal.4th 896, 905 (*Assemi*)). “[I]n ruling upon a section 664.6 motion for entry of judgment enforcing a settlement agreement, and in determining whether the parties entered into a binding settlement of all or part of a case, a trial court should consider whether (1) the material terms of the settlement were explicitly defined, (2) the supervising judicial officer questioned the parties regarding their understanding of those terms, and (3) the parties expressly acknowledged their understanding of and agreement to be bound by those terms. In making the foregoing determination, the trial court may consider declarations of the parties and their counsel, any transcript of the stipulation orally presented and recorded by a certified reporter, and any additional oral testimony. [Citations.] The standard governing review of such determinations by a trial court is whether the trial court’s ruling is supported by substantial evidence. [Citations.]” (*Id.* at p. 911.)

“Consistent with the venerable substantial evidence standard of review, and with our policy favoring settlements, we resolve all evidentiary conflicts and draw all reasonable inferences to support the trial court’s finding that these parties entered into an enforceable settlement agreement and its order enforcing that agreement.” (*Osumi v. Sutton* (2007) 151 Cal.App.4th 1355, 1360.)

I. Mutual Consent

Corbin argues on appeal, as she did in the trial court, that she did not hear or comprehend during the settlement conference that she was agreeing to retire from City employment. She argues that a valid contract was not formed because there was no mutual consent—that is, no meeting of the minds—regarding the material terms of the agreement. We disagree.

In ruling on the City’s motion pursuant to section 664.6, the trial court was empowered to determine whether the parties reached a binding mutual accord as to the material terms of the settlement. (*Assemi, supra*, 7 Cal.4th at p. 905.) “A settlement agreement is a contract, and the legal principles which apply to contracts generally apply to settlement contracts.” (*Weddington Productions, Inc. v. Flick* (1998) 60 Cal.App.4th 793, 810; see also Civ. Code § 1636 [contracts must be enforced according to the “mutual intention of the parties as it existed at the time of contracting”].) “The existence of mutual consent is determined by objective rather than subjective criteria, the test being what the outward manifestations of consent would lead a reasonable person to believe.’ [Citation.] Outward manifestations thus govern the finding of mutual consent required by Civil Code sections 1550, 1565 and 1580 for contract formation.” (*Weddington, supra*, at p. 811.) Accordingly, the primary focus in determining the existence of mutual consent is upon the acts of the parties involved. (*Meyer v. Benko* (1976) 55 Cal.App.3d 937, 942 (*Meyer*).)

Although she does not phrase her argument in these terms, in effect Corbin is contending that a material mistake of fact—namely, that she did not hear or understand that she was agreeing as part of the settlement to retire—prevented contract formation. “A unilateral [fn. omitted] mistake of fact may be the basis of relief. (1 Witkin, Summary of Cal. Law (8th ed. 1973) Contracts, § 295, p. 248.) However, such a unilateral mistake may not invalidate a contract without a showing that the other party to the contract was aware of the mistaken belief and unfairly utilized that mistaken belief in a manner enabling him to take advantage of the other party. [Citation.]” (*Meyer, supra*, 55 Cal.App.3d at p. 944.) Corbin has failed to present any evidence in support of either

requirement. She does not point to any evidence demonstrating that the City knew or should have known that she failed to hear or understand that she was agreeing to retire. Because the City would have had no reason to know that she did not comprehend the terms of the agreement, it could not have unfairly used that mistaken belief to take advantage of her. Plainly stated, moments after counsel declared in clear terms that Corbin would agree to retire from City employment, the court asked Corbin if she understood and agreed to all of the terms of the settlement, and she said she did. Viewed objectively, Corbin's actions would lead a reasonable person to believe that she understood and consented to retire as part of the settlement agreement. Under these circumstances, her belated declarations regarding her subjective understanding of the agreement are irrelevant. “““The parties' undisclosed intent or understanding is irrelevant to contract interpretation.” [Citation.]’ (*Cedars-Sinai Medical Center v. Shewry* (2006) 137 Cal.App.4th 964, 980.)” (*Steller v. Sears, Roebuck & Co.* (2010) 189 Cal.App.4th 175, 185 (*Steller*).)

We conclude the trial court had before it substantial evidence to find that the parties reached a binding mutual accord as to the material terms of the agreement, including that Corbin agreed to retire from City employment as a condition of the settlement.

II. The Agreement to Retire Did Not Conflict With the Provision of the Settlement Agreement Permitting the Workers' Compensation Action to Proceed

Corbin further contends that the trial court's order should be reversed because the term requiring her retirement inherently conflicts with the provision that the settlement would not affect her pending workers' compensation action. She asserts that the relief available in her workers' compensation action necessarily included reassignment within available job openings, and therefore a term requiring her retirement would indeed have an effect on her pending workers' compensation action. Thus, the trial court's

determination that the retirement term would not affect her workers' compensation claims against the City was erroneous.

Here, the court had to draw an inference from the available objective evidence regarding the parties' contractual intent. Specifically, the court had to determine, based on the parties' objective manifestations of agreement and intent, what a reasonable objective observer would believe was the intended purpose and effect of the statement that "this [the settlement] has no effect on [Corbin's] pending workers' comp[ensation] action." At first blush, the meaning of that statement is arguably ambiguous. Did the parties mean that the settlement would have literally no effect on the workers' compensation action, including no effect on the remedies potentially available in that action? Or did they simply mean that Corbin would be permitted to continue to pursue her workers' compensation action, and that the settlement was not intended to encompass the workers' compensation claims? (Cf. *Steller, supra*, 189 Cal.App.4th 175.)

Clearly the parties intended the latter. Given the fact that an unambiguous material term of the settlement was that Corbin was agreeing to retire from City employment, the parties could not possibly have meant that the settlement would have no effect on the remedies available to Corbin in her workers' compensation action. The only reasonable interpretation of the statement is that the parties meant to clarify that Corbin would be permitted to continue to maintain her workers' compensation action. As such, there is no conflict between the two provisions of the agreement, and there is no justification for rescinding either provision.

DISPOSITION

The judgment enforcing the settlement agreement is affirmed. Costs on appeal are awarded to the City.

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SUZUKAWA, J.

We concur:

WILLHITE, Acting P. J.

MANELLA, J.